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State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

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Division Director

Inspection Report
Minerals Regulatory Program
Date: 07/01/2009

Reviewed: SK

| | |
|---|------------------------------------|
| Mine Name: Rim/Columbus | Permit Number: M0370006 |
| Operator Name: Denison Mines (USA) | Inspection Date: 04/07/2009 |
| Inspector(s): Tom Munson | Time: 9:00 pm |
| Other Participants: | Mine Status: Inactive |

| Elements of Inspection | Evaluated | Comment | Enforcement |
|--|-------------------------------------|-------------------------------------|--------------------------|
| 1. Permits, Revisions, Transfer, Bonds | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. Public Safety (shafts, adits, trash, signs, highwalls) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Protection of Drainages / Erosion Control | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4. Deleterious Material | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Roads (maintenance, surfacing, dust control, safety) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Concurrent Reclamation | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Water Impoundments | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 9. Soils | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Re-vegetation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Air Quality | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. Other | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Bond Amount: \$74,200

Permit fee: Current

Purpose of Inspection: To do an annual inspection

Inspection Summary:

Arrived on site and found no one on site. The sediment control associated with the waste pile appeared to be functioning as intended. The waste piles on the west side of the pad were roughened, but exhibited no perennial adaptable vegetation just invasive weeds. A random radiological survey was carried out. The waste on the pad had readings of 200-300 umhos. The sediment pond had readings of 250 umhos. Numerous animal tracks were seen around the sediment pond as they drink from the standing water that may be associated with a spring. This water should be sampled to determine water quality. It may only be found in the wetter times of the year. The background radiological readings away from the mine site are 10-30 umhos. There are two treatment ponds onsite that are used to treat mine water with Barium Chloride. Discharge or leakage from these ponds may be the source of water for the water in the sediment pond.

Conclusions and Recommendations:

An investigation should be carried out to determine the impacts associated with the animals having access to the sediment pond water. Perhaps a different sediment control scenario should be devised to prevent access to the current sediment pond if it is a watering hole for animals.

Inspection Date: April 6, 2009

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Inspector's Signature

A handwritten signature in blue ink, appearing to read "Thomas Th...", written over a horizontal line.

TM

cc: (OPERATOR)

ted_rndougall@blm.gov

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M0370006 - Rim Columbus
Photos taken April 7, 2009



Sediment pond west of the pad and waste rock site



Inlet to sediment pond



Sediment ditch leaving the pad



Roughened waste rock where reclamation has taken place with poor revegetation